

### § 953.33

### 7 CFR Ch. IX (1-1-08 Edition)

District Committees shall not receive compensation from any funds dispersed by the Southeastern Potato Committee. Members of District Committees may be selected at meetings sponsored by the Southeastern Potato Committee. The terms of office of members of District Committees shall coincide with the terms of office of members of the Southeastern Potato Committee.

#### EXPENSES AND ASSESSMENTS

### § 953.33 Expenses.

The committee is authorized to incur such expenses as the Secretary finds may be necessary to carry out the functions of the committee pursuant to the provisions of this subpart during each fiscal year. The funds to cover such expenses shall be acquired by levying assessments as provided in § 953.34.

### § 953.34 Assessments.

(a) Each handler who first handles potatoes shall, with respect to the potatoes so handled by him, pay to the committee such handler's pro rata share of the expenses which the Secretary finds will be necessarily incurred by the committee for its maintenance and functioning during each fiscal year. Such handler's pro rata share of such expenses shall be equal to the ratio between the total quantity of potatoes handled by him as the first handler thereof, during the applicable fiscal year, and the total quantity of potatoes handled by all handlers as the first handlers thereof, during the same fiscal year. The Secretary shall fix the rate of assessment to be paid by such handlers: *Provided*, That the rate of assessment during each fiscal year shall not exceed 1 cent per hundred-weight.

(b) At any time during or after a fiscal year, the Secretary may increase the rate of assessment in order to secure sufficient funds to cover any later finding by the Secretary relative to the expenses of the committee. Such increase shall be applicable to all potatoes handled during the given fiscal year. In order to provide funds to carry out the functions of the committee, handlers may make advance payment of assessments.

### § 953.35 Accounting.

(a) If, at the end of a fiscal period, the assessments collected are in excess of expenses incurred, such excess shall be accounted for in accordance with one of the following:

(1) If such excess is not retained in a reserve, as provided in paragraph (a)(2) of this section, it shall be refunded proportionately and to the extent practical to the persons from whom it was collected: *Provided*, That each handler may be credited with such refund, for the operations of the following fiscal period, unless he demands payment thereof, in which event such proportionate refund shall be paid to him.

(2) The committee, with the approval of the Secretary, may establish an operating monetary reserve, and may carry over into subsequent fiscal periods such excess in a reserve so established: *Provided*, That funds in the reserve shall not exceed approximately one fiscal period's expenses. Such reserve funds may be used by the committee (i) to defray expenses authorized pursuant to § 953.33, (ii) to defray expenses during any fiscal period, prior to the time assessment income is sufficient to cover such expenses, (iii) to cover deficits incurred during any fiscal period when assessment income is less than expenses, (iv) to defray expenses incurred during any period when any or all provisions of this part are suspended or are inoperative, and (v) to cover necessary expenses of liquidation in the event of termination of this part. Upon such termination, any funds not required to defray the necessary expenses of liquidation and after reasonable effort by the committee it is found impracticable to return such remaining funds to handlers from whom collected, such funds shall be disposed of in such manner as the Secretary may determine to be appropriate.

(b) The committee may make recommendations to the Secretary for one or more of the members thereof, or any other person or persons to act as trustee or trustees for holding records, funds, or any other committee property during periods of suspension of this part, or during any period or periods when regulations are not in effect; and, if the Secretary determines such action appropriate, he may direct that